



QUARTERLY STATEMENT

AS OF MARCH 31, 2008
OF THE CONDITION AND AFFAIRS OF THE

Health Alliance Plan of Michigan

NAIC Group Code	1311	1311	NAIC Company Code	95844	Employer's ID Number	38-2242827
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States					
Licensed as business type:	Life, Accident & Health [] Property/Casualty [] Dental Service Corporation []					
	Vision Service Corporation [] Other [] Health Maintenance Organization [X]					
	Hospital, Medical & Dental Service or Indemnity [] Is HMO, Federally Qualified? Yes [X] No []					
Incorporated/Organized	06/27/1978		Commenced Business	02/08/1979		
Statutory Home Office	2850 West Grand Boulevard			Detroit, MI 48202		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	2850 West Grand Boulevard		Detroit, MI 48202		313-872-8100	
	(Street and Number)		(City or Town, State and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	2850 West Grand Boulevard			Detroit, MI 48202		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	2850 West Grand Boulevard		Detroit, MI 48202		248-443-1093	
	(Street and Number)		(City or Town, State and Zip Code)		(Area Code) (Telephone Number)	
Internet Website Address	www.hap.org					
Statutory Statement Contact	Dianna Ronan CPA			248-443-1093		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	dronan@hap.org			248-443-8610		
	(E-mail Address)			(FAX Number)		

OFFICERS

Name	Title	Name	Title
Ronald W Berry	Treasurer	Maurice E McMurray	Secretary
Colleen M McClorey	Assistant Secretary		

OTHER OFFICERS

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DIRECTORS OR TRUSTEES

Nicholas C Anderson	Marvin Beatty #	MaryBeth Bolton MD	Mary E Bunn
William A Conway MD	Dennis H DePaulis	John T Gargaro	Jethro Joseph
Jackie Martin	William L Peirce	Carol Quigley IHM	Catherine A Roberts
Robin Scales-Wooten	Nancy Schlichting	Gerald K Smith	Rebecca R Smith
Susan Wells	Karen Wezner		

State ofMichigan.....
County ofWayne.....

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The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Ronald W Berry Treasurer	Maurice E McMurray Secretary	Colleen M McClorey Assistant Secretary
a. Is this an original filing? Yes [X] No []		
b. If no:		
1. State the amendment number		
2. Date filed		
3. Number of pages attached		
Subscribed and sworn to before me this 14th day of May, 2008		
Roderick Irwin Curry, Notary August 14 2013		

STATEMENT AS OF MARCH 31, 2008 OF THE Health Alliance Plan of Michigan

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds			0	0
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	135,965,093		135,965,093	134,484,719
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances).....	2,538,136	1,691,040	847,096	854,375
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$(11,691,874)), cash equivalents (\$0) and short-term investments (\$204,231,797).....	192,539,923		192,539,923	177,710,520
6. Contract loans (including \$premium notes).....			0	0
7. Other invested assets	62,309,028	0	62,309,028	64,591,503
8. Receivables for securities			0	0
9. Aggregate write-ins for invested assets	930,012	0	930,012	981,172
10. Subtotals, cash and invested assets (Lines 1 to 9)	394,282,191	1,691,040	392,591,152	378,622,289
11. Title plants less \$charged off (for Title insurers only).....			0	0
12. Investment income due and accrued	680,548		680,548	1,295,101
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	16,334,690		16,334,690	16,574,327
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....			0	0
13.3 Accrued retrospective premiums.....			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers			0	0
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon			0	0
16.2 Net deferred tax asset			0	0
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software.....	15,644,618	14,778,844	865,774	602,156
19. Furniture and equipment, including health care delivery assets (\$)	1,357,149	1,357,149	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates	1,391,660		1,391,660	1,385,561
22. Health care (\$2,893,679) and other amounts receivable.....	2,893,679		2,893,679	3,125,735
23. Aggregate write-ins for other than invested assets	9,477,485	8,626,300	851,185	933,815
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	442,062,021	26,453,333	415,608,689	402,538,985
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
26. Total (Lines 24 and 25)	442,062,021	26,453,333	415,608,689	402,538,985
DETAILS OF WRITE-INS				
0901. Rabbi Trust.....	930,012		930,012	981,172
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	930,012	0	930,012	981,172
2301. Goodwill.....	6,990,529	6,990,529	0	0
2302. Prepaid Expense.....	1,635,770	1,635,770	0	0
2303. Deferred Compensation.....	741,125		741,125	745,837
2398. Summary of remaining write-ins for Line 23 from overflow page	110,060	0	110,060	187,978
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	9,477,485	8,626,300	851,185	933,815

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded).....	112,980,582	2,668,648	115,649,230	109,337,148
2. Accrued medical incentive pool and bonus amounts	2,619,431		2,619,431	2,480,446
3. Unpaid claims adjustment expenses	942,740		942,740	876,042
4. Aggregate health policy reserves	4,377,867		4,377,867	4,377,867
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	20,865,945		20,865,945	18,071,800
9. General expenses due or accrued	13,494,475		13,494,475	14,605,573
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	524,493		524,493	709,158
16. Payable for securities	516,938		516,938	477,035
17. Funds held under reinsurance treaties (with \$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured plans	1,946,281		1,946,281	1,946,281
21. Aggregate write-ins for other liabilities (including \$ current)	11,723,772	0	11,723,772	10,757,036
22. Total liabilities (Lines 1 to 21).....	169,992,525	2,668,648	172,661,173	163,638,385
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX		0
25. Preferred capital stock	XXX	XXX		0
26. Gross paid in and contributed surplus	XXX	XXX		0
27. Surplus notes	XXX	XXX		0
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
29. Unassigned funds (surplus)	XXX	XXX	242,947,516	238,900,600
30. Less treasury stock, at cost:				
30.1 .....shares common (value included in Line 24 \$)	XXX	XXX		0
30.2 .....shares preferred (value included in Line 25 \$)	XXX	XXX		0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	242,947,516	238,900,600
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	415,608,689	402,538,985
DETAILS OF WRITE-INS				
2101. Pension Liability - Long Term.....	9,931,206		9,931,206	8,953,956
2102. Retiree Health Benefits.....	1,051,441		1,051,441	1,057,243
2103. Deferred Compensation.....	741,125		741,125	745,837
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 through 2103 plus 2198) (Line 21 above)	11,723,772	0	11,723,772	10,757,036
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801.	XXX	XXX		
2802.	XXX	XXX		
2803.	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months.....	XXX	1,190,195	1,236,891	4,882,616
2. Net premium income (including \$ non-health premium income).....	XXX	409,865,280	397,711,328	1,611,524,843
3. Change in unearned premium reserves and reserve for rate credits	XXX		0	0
4. Fee-for-service (net of \$ medical expenses)	XXX		0	0
5. Risk revenue	XXX		0	0
6. Aggregate write-ins for other health care related revenues	XXX	0	0	0
7. Aggregate write-ins for other non-health revenues	XXX	(3,778)	(6,014)	8,320
8. Total revenues (Lines 2 to 7)	XXX	409,861,503	397,705,314	1,611,533,163
Hospital and Medical:				
9. Hospital/medical benefits		275,421,515	266,415,237	1,054,050,503
10. Other professional services			0	0
11. Outside referrals		11,334,092	10,523,938	42,961,157
12. Emergency room and out-of-area		36,620,121	31,113,539	138,956,288
13. Prescription drugs		52,860,124	56,557,405	238,983,130
14. Aggregate write-ins for other hospital and medical	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		1,894,416	1,812,763	2,597,220
16. Subtotal (Lines 9 to 15)	0	378,130,268	366,422,882	1,477,548,298
Less:				
17. Net reinsurance recoveries			0	0
18. Total hospital and medical (Lines 16 minus 17)	0	378,130,268	366,422,882	1,477,548,298
19. Non-health claims (net).....			0	0
20. Claims adjustment expenses, including \$ 1,973,931 cost containment expenses.....		4,175,055	4,119,649	14,380,243
21. General administrative expenses.....		23,610,436	23,041,713	99,402,501
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)			0	0
23. Total underwriting deductions (Lines 18 through 22)	0	405,915,759	393,584,243	1,591,331,042
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	3,945,743	4,121,071	20,202,121
25. Net investment income earned		716,973	4,113,105	15,119,852
26. Net realized capital gains (losses) less capital gains tax of \$.....		257	(1,038)	25,273
27. Net investment gains (losses) (Lines 25 plus 26)	0	717,230	4,112,068	15,145,125
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0	0
29. Aggregate write-ins for other income or expenses	0	21,059	136,364	540,896
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	4,684,032	8,369,502	35,888,141
31. Federal and foreign income taxes incurred	XXX		0	0
32. Net income (loss) (Lines 30 minus 31)	XXX	4,684,032	8,369,502	35,888,141
DETAILS OF WRITE-INS				
0601.	XXX			
0602.	XXX			
0603.	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0	0
0701. Gain/(Loss) on Sale of Assets.....	XXX	(3,778)	(6,014)	8,320
0702.	XXX			
0703.	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	(3,778)	(6,014)	8,320
1401.			0	0
1402.			0	0
1403.			0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0	0
2901. Miscellaneous Income.....		21,059	136,364	540,896
2902.			0	0
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	21,059	136,364	540,896

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL AND SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year.....	238,900,600	242,352,253	242,352,253
34. Net income or (loss) from Line 32	4,684,032	8,369,502	35,888,141
35. Change in valuation basis of aggregate policy and claim reserves		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$	(30,883)	922,738	1,411,482
37. Change in net unrealized foreign exchange capital gain or (loss)		0	0
38. Change in net deferred income tax		0	0
39. Change in nonadmitted assets	(606,234)	15,848	4,248,724
40. Change in unauthorized reinsurance	0	0	0
41. Change in treasury stock		0	0
42. Change in surplus notes	0	0	0
43. Cumulative effect of changes in accounting principles		0	0
44. Capital Changes:			
44.1 Paid in		0	0
44.2 Transferred from surplus (Stock Dividend)		0	0
44.3 Transferred to surplus		0	0
45. Surplus adjustments:			
45.1 Paid in		0	0
45.2 Transferred to capital (Stock Dividend)	0	0	0
45.3 Transferred from capital		0	0
46. Dividends to stockholders		0	(45,000,000)
47. Aggregate write-ins for gains or (losses) in surplus	0	0	0
48. Net change in capital and surplus (Lines 34 to 47)	4,046,916	9,308,088	(3,451,653)
49. Capital and surplus end of reporting period (Line 33 plus 48)	242,947,516	251,660,341	238,900,600
DETAILS OF WRITE-INS			
4701.		0	0
4702.		0	0
4703.		0	0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	412,899,062	1,614,533,527
2. Net investment income	3,711,694	14,435,750
3. Miscellaneous income	98,977	479,105
4. Total (Lines 1 to 3)	416,709,734	1,629,448,382
5. Benefit and loss related payments	371,679,200	1,465,793,981
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		.0
7. Commissions, expenses paid and aggregate write-ins for deductions	25,302,850	100,869,053
8. Dividends paid to policyholders .....		.0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	0
10. Total (Lines 5 through 9)	396,982,049	1,566,663,034
11. Net cash from operations (Line 4 minus Line 10)	19,727,684	62,785,348
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	.0	.0
12.2 Stocks	19,194	90,512
12.3 Mortgage loans .....	.0	.0
12.4 Real estate .....	.0	.0
12.5 Other invested assets	34,712	116,146
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	.0	.0
12.7 Miscellaneous proceeds	34,012	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	87,919	206,658
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	.0	.0
13.2 Stocks	1,499,421	5,230,985
13.3 Mortgage loans .....	.0	.0
13.4 Real estate .....	.0	.0
13.5 Other invested assets .....	.0	65,813
13.6 Miscellaneous applications	0	62,490
13.7 Total investments acquired (Lines 13.1 to 13.6)	1,499,421	5,359,288
14. Net increase (or decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(1,411,502)	(5,152,630)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	.0	.0
16.2 Capital and paid in surplus, less treasury stock.....	.0	.0
16.3 Borrowed funds .....	.0	(236,223)
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....		.0
16.5 Dividends to stockholders .....	.0	45,000,000
16.6 Other cash provided (applied).....	(3,486,780)	(5,905,906)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(3,486,780)	(51,142,129)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	14,829,403	6,490,589
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	177,710,520	171,219,931
19.2 End of period (Line 18 plus Line 19.1)	192,539,923	177,710,520

STATEMENT AS OF MARCH 31, 2008 OF THE Health Alliance Plan of Michigan

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	400,317	3,831	351,258	.0	.0	.0	23,290	21,938	.0	.0
2 First Quarter .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3 Second Quarter .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. Third Quarter .....	.0									
5. Current Year	0									
6 Current Year Member Months	1,190,195	10,861	1,044,252				66,507	68,575		
Total Member Ambulatory Encounters for Period:										
7. Physician	1,501,065									1,501,065
8. Non-Physician	756,585									756,585
9. Total	2,257,650	0	0	0	0	0	0	0	0	2,257,650
10. Hospital Patient Days Incurred	44,839	0	33,499					11,251		89
11. Number of Inpatient Admissions	9,500		7,476					1,997		27
12. Health Premiums Written (a)	412,899,062	3,744,985	324,071,965				22,345,899	62,736,213		
13. Life Premiums Direct .....	.0									
14. Property/Casualty Premiums Written .....	.0									
15. Health Premiums Earned	409,865,280	3,729,630	321,144,156				22,255,281	62,736,213		
16. Property/Casualty Premiums Earned .....	.0									
17. Amount Paid for Provision of Health Care Services	371,679,200	3,344,505	287,982,482				22,293,227	58,058,986		
18. Amount Incurred for Provision of Health Care Services	378,130,268	3,397,544	292,549,472				22,226,349	59,956,903		

(a) For heath premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ 62,736,213

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

UNDERWRITING AND INVESTMENT EXHIBIT
ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	58,830,622	230,740,934	31,926,946	72,628,576	90,757,568	100,074,479
2. Medicare Supplement					0	0
3. Dental Only					0	0
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan	4,083,722	18,209,505	1,356,426	3,431,422	5,440,148	4,854,726
6. Title XVIII - Medicare	3,415,235	54,643,751	222,853	6,083,007	3,638,088	4,407,943
7. Title XIX - Medicaid					0	0
8. Other health					0	0
9. Health subtotal (Lines 1 to 8).....	66,329,579	303,594,190	33,506,225	82,143,005	99,835,804	109,337,148
10. Health care receivables (a)					0	0
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts	1,755,431			2,619,431	1,755,431	2,480,446
13. Totals	68,085,010	303,594,190	33,506,225	84,762,437	101,591,235	111,817,594

(a) Excludes \$ loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Accounting Practices - No significant change.
- B. Use of Estimates in the Preparation of the Financial Statements - No significant change.
- C. Accounting Policy - No significant change.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

- A. Material changes in accounting principles and/or correction of errors - Not applicable.
- B. The cumulative effect of changes in accounting principles - Not applicable.

3. BUSINESS COMBINATIONS AND GOODWILL

- A. Statutory Purchase Method - Not applicable.
- B. Statutory Merger - Not applicable.
- C. Assumption Reinsurance - Not applicable.
- D. Impairment Loss - Not applicable.

4. DISCONTINUED OPERATIONS

Not applicable.

5. INVESTMENTS

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not applicable.
- B. Debt Restructuring - Not applicable.
- C. Reverse Mortgages - Not applicable.
- D. Loan-Backed Securities - Not applicable.
- E. Repurchase agreements - Not applicable.
- F. Real Estate - No significant change.
- G. Investments in Low-Income Housing Tax Credits - Not applicable.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

- A. The Company has no new investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.
- B. Impaired investments in Joint Ventures, Partnerships and Limited Liability Companies - Not applicable.

7. INVESTMENT INCOME

- A. The bases for excluding (nonadmitting) any investment income due and accrued - Not applicable.
- B. The total amount of investment income excluded - Not applicable.

8. DERIVATIVE INSTRUMENTS

Not applicable.

9. INCOME TAXES

Not applicable.

NOTES TO FINANCIAL STATEMENTS

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

No significant change.

11. DEBT

No significant change.

The Company does not have any reverse repurchase agreements.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

No significant change.

13. CAPITAL AND SURPLUS, SHAREHOLDER' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

- A. The Corporation has no common stock.
- B. The Corporation has no preferred stock.
- C. The Corporation has no restrictions on unassigned funds (surplus).
- D. The Corporation holds 1,500,000 shares of AHLIC stock with a par value of \$1,500,000 and 50,000 shares of Preferred Health Plan with a par value of \$50,000.
- E. The Corporation has no surplus notes outstanding.
- F. The Corporation has no quasi-reorganization to report.
- G. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and (losses) - No significant change.

14. CONTINGENCIES

No significant change.

15. LEASES

No significant change.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

Not applicable.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

Not applicable.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY UNINSURED PLANS

- A. ASO Plans - Not applicable.
- B. ASC Plans - Not applicable.
- C. Medicare or Similarly Structured Cost Based Reimbursement Contract - No significant change.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATION

Not applicable.

NOTES TO FINANCIAL STATEMENTS

20. OTHER ITEMS

- A. Extraordinary Items - Not applicable.
- B. Troubled Debt Restructuring - Not applicable.
- C. Other Disclosures - Not applicable.
- D. Uncollectible Premium Balances, Bills Receivable for Premiums, Amounts Due From Agents and Brokers, Uninsured Plans or Restropectively Rated Contracts - No significant change.
- E. Business Interruption Insurance Recoveries - Not applicable.

21. EVENTS SUBSEQUENT

Not applicable.

22. REINSURANCE

- A. Ceded Reinsurance Report - Not applicable.
- B. Uncollectible Reinsurance - Not applicable.
- C. Commutation of Ceded Reinsurance - Not applicable.

23. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

No significant change.

24. CHANGE IN INCURRED CLAIMS AND CLAIM ADJUSTMENT EXPENSES

No significant change.

25. INTERCOMPANY POOLING ARRANGEMENTS

Not applicable.

26. STRUCTURED SETTLEMENTS

Not applicable.

27. HEALTHCARE RECEIVABLES

- A. Pharmaceutical Rebate Receivables - No significant change.
- B. Risk Sharing Receivables - Not applicable

28. PARTICIPATING POLICIES

Not applicable.

29. PREMIUM DEFICIENCY RESERVES

Not applicable.

30. ANTICIPATED SALVAGE AND SUBROGATION

Not applicable.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior-year, end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes ☐ No ☐
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:
3.

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒

If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes ☐ No ☐ NA ☒

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2006
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2002
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

05/11/2004
- 6.4

By what department or departments?

The Michigan Office of Financial and Insurance Regulation.
- 6.5

Have any financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ NA ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☐ No ☐ NA ☒
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes ☐ No ☒
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes [X] No []
- 9.11

If the response to 9.1 is No, please explain:
.....
- 9.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
.....
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).
.....

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [X] No []
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$775,421

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes [] No [X]
- 11.2

If yes, give full and complete information relating thereto:
.....
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:\$
13.

Amount of real estate and mortgages held in short-term investments:\$
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [X] No []
- 14.2

If yes, please complete the following:

		1		2
		Prior Year-End		Current Quarter
		Book/Adjusted		Book/Adjusted
		Carrying Value		Carrying Value
14.21	Bonds .....	\$ .....	\$	.....
14.22	Preferred Stock .....	\$ .....	\$	.....
14.23	Common Stock	\$24,289,575	\$	.....23,295,058
14.24	Short-Term Investments .....	\$ .....	\$	.....
14.25	Mortgage Loans on Real Estate .....	\$ .....	\$	.....
14.26	All Other	\$275,769	\$	.....302,046
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$24,565,344	\$	.....23,597,104
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....	\$	.....

- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [] No [X]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes [] No []
- If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, G - Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes [X] No []

16.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Comerica Bank NA.....	Detroit Michigan.....
Western Assets.....	Wilmington Delaware.....
JPMorgan Chase.....	New York New York.....

16.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
Not applicable.....		

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes [] No [X]

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
Not applicable.....			

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
Not applicable.....	Brian Gamble.....	Detroit Michigan.....
2405849.....	Kyle Logan.....	Charlotte North Carolina.....
70923.....	Lesla McKnight.....	Chicago Illinois.....
7691.....	Susan Renaud.....	Detroit Michigan.....
110441.....	Sandy Goodman.....	Pasadena California.....
1723878.....	Joe Gaskey.....	Charlotte North Carolina.....
7691.....	Paul Youngblood.....	Detroit Michigan.....
7691.....	Brian Kerber.....	Detroit Michigan.....
Not applicable.....	Janet Koscik.....	Columbus Ohio.....

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?

Yes [X] No []

17.2 If no, list exceptions:

.....

STATEMENT AS OF MARCH 31, 2008 OF THE Health Alliance Plan of Michigan

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

[illegible]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories										
States, Etc.	1	Direct Business Only								
		2	3	4	5	6	7	8	9	
	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts	
1. Alabama	AL	N						0		
2. Alaska	AK	N						0		
3. Arizona	AZ	N						0		
4. Arkansas	AR	N						0		
5. California	CA	N						0		
6. Colorado	CO	N						0		
7. Connecticut	CT	N						0		
8. Delaware	DE	N						0		
9. Dist. of Columbia	DC	N						0		
10. Florida	FL	N						0		
11. Georgia	GA	N						0		
12. Hawaii	HI	N						0		
13. Idaho	ID	N						0		
14. Illinois	IL	N						0		
15. Indiana	IN	N						0		
16. Iowa	IA	N						0		
17. Kansas	KS	N						0		
18. Kentucky	KY	N						0		
19. Louisiana	LA	N						0		
20. Maine	ME	N						0		
21. Maryland	MD	N						0		
22. Massachusetts	MA	N						0		
23. Michigan	MI	L	323,383,902	62,736,213		22,255,281		408,375,396		
24. Minnesota	MN	N						0		
25. Mississippi	MS	N						0		
26. Missouri	MO	N						0		
27. Montana	MT	N						0		
28. Nebraska	NE	N						0		
29. Nevada	NV	N						0		
30. New Hampshire	NH	N						0		
31. New Jersey	NJ	N						0		
32. New Mexico	NM	N						0		
33. New York	NY	N						0		
34. North Carolina	NC	N						0		
35. North Dakota	ND	N						0		
36. Ohio	OH	N						0		
37. Oklahoma	OK	N						0		
38. Oregon	OR	N						0		
39. Pennsylvania	PA	N						0		
40. Rhode Island	RI	N						0		
41. South Carolina	SC	N						0		
42. South Dakota	SD	N						0		
43. Tennessee	TN	N						0		
44. Texas	TX	N						0		
45. Utah	UT	N						0		
46. Vermont	VT	N						0		
47. Virginia	VA	N						0		
48. Washington	WA	N						0		
49. West Virginia	WV	N						0		
50. Wisconsin	WI	N						0		
51. Wyoming	WY	N						0		
52. American Samoa	AS	N						0		
53. Guam	GU	N						0		
54. Puerto Rico	PR	N						0		
55. U.S. Virgin Islands	VI	N						0		
56. Northern Mariana Islands	MP	N						0		
57. Canada	CN	N						0		
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	
59. Subtotal	XXX		323,383,902	62,736,213	0	22,255,281	0	408,375,396	0	
60. Reporting entity contributions for Employee Benefit Plans	XXX		1,489,884					1,489,884		
61. Total (Direct Business)	(a) 1		324,873,786	62,736,213	0	22,255,281	0	409,865,280	0	
DETAILS OF WRITE-INS										
5801.	XXX							0		
5802.	XXX							0		
5803.	XXX							0		
5898. Summary of remaining write-ins for Line 58 from overflow page.	XXX		0	0	0	0	0	0	0	
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX		0	0	0	0	0	0		

(a) Insert the number of L responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

NONE

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

.....NO.....

Explanation:

1.

Bar Code:

1.



OVERFLOW PAGE FOR WRITE-INS

MQ002 Additional Aggregate Lines for Page 02 Line 23.
*ASSETS

	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Prior Year Net Admitted Assets
2304. Other Receivables.....	52,216		52,216	130,134
2305. Other Assets.....	57,843		57,843	57,843
2306.			0	0
2397. Summary of remaining write-ins for Line 23 from Page 02	110,060	0	110,060	187,978

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	2,644,264	2,795,374
2. Cost of acquired		
2.1 Actual cost at time of acquisitions		578,323
2.2 Additional investment made after acquisitions		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation	106,128	729,433
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	2,538,136	2,644,264
10. Deduct total nonadmitted amount	1,691,040	1,789,889
11. Statement value at end of current period (Line 9 minus Line 10)	847,096	854,375

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1. Actual cost at time of acquisitions		0
2.2. Additional investment made after acquisitions		0
3. Capitalized deferred interest and other.....		
4. Accrual of discount		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		0
7. Deduct amounts received on disposals.....		0
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized.....		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Deduct total nonadmitted accounts		0
13. Statement value of at end of current period (Line 11 minus Line 12)	0	0

NONE

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	64,591,503	63,056,652
2. Cost of acquired:		
2.1. Actual cost at time of acquisitions		673,017
2.2. Additional investment made after acquisitions		0
3. Capitalized deferred interest and other.....		
4. Accrual of discount		0
5. Unrealized valuation increase (decrease).....	(2,251,652)	967,032
6. Total gain (loss) on disposals.....	3,890	10,948
7. Deduct amounts received on disposals.....	34,712	116,146
8. Deduct amortization of premium and depreciation.....		0
9. Total foreign exchange change in book/adjusted carrying value.....		0
10. Deduct current year's other than temporary impairment recognized.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	62,309,028	64,591,503
12. Deduct total nonadmitted amounts.....		0
13. Statement value at end of current period (Line 11 minus Line 12)	62,309,028	64,591,503

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	134,484,719	128,653,501
2. Cost of bonds and stocks acquired	1,499,421	5,230,985
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....	(109)	1,351,763
5. Total gain (loss) on disposals.....	257	(2,327)
6. Deduct consideration for bonds and stocks disposed of.....	19,194	749,202
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	135,965,093	134,484,719
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	135,965,093	134,484,719

STATEMENT AS OF MARCH 31, 2008 OF THE Health Alliance Plan of Michigan

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	126,478,053	411,642,986	333,889,241		204,231,797	0	0	126,478,053
2. Class 2 (a).....	0				0	0	0	0
3. Class 3 (a).....	0				0	0	0	0
4. Class 4 (a).....	0				0	0	0	0
5. Class 5 (a).....	0				0	0	0	0
6. Class 6 (6).....	0				0	0	0	0
7. Total Bonds	126,478,053	411,642,986	333,889,241	0	204,231,797	0	0	126,478,053
PREFERRED STOCK								
8. Class 1	0				0	0	0	0
9. Class 2	0				0	0	0	0
10. Class 3	0				0	0	0	0
11. Class 4	0				0	0	0	0
12. Class 5	0				0	0	0	0
13. Class 6	0				0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	126,478,053	411,642,986	333,889,241	0	204,231,797	0	0	126,478,053

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$; NAIC 2 \$
; NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

SCHEDULE DA - PART 1
Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
8299999	204,231,797	XXX	204,231,797	1,664,065	

SCHEDULE DA - VERIFICATION
Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	126,478,053	42,460,410
2. Cost of short-term investments acquired	347,245,719	1,121,347,293
3. Accrual of discount		
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals		0
6. Deduct consideration received on disposals	269,491,975	1,037,329,651
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	204,231,797	126,478,053
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	204,231,797	126,478,053

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

SCHEDULE E - VERIFICATION
(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	59,431,150	137,105,426
2. Cost of cash equivalents acquired	4,966,117	692,589,728
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals	64,397,267	770,264,004
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	0	59,431,150
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	0	59,431,150

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

EO3

NONE

[illegible]

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter																				
1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/ Adjusted Carrying Value Less Encumbrance s Prior Year	Change in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income	
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10- 11+12)	14 Total Foreign Exchange Change in B./A.C.V.							
Oil and Gas Production - Unaffiliated																				
Transportation Equipment - Unaffiliated																				
Transportation Equipment - Affiliated																				
Mineral Rights - Unaffiliated																				
Mineral Rights - Affiliated																				
Fixed or Variable Rate - Bonds - Unaffiliated																				
Fixed or Variable Rate - Bonds - Affiliated																				
Fixed or Variable Rate - Mortgage Loans - Unaffiliated																				
Fixed or Variable Rate - Mortgage Loans - Affiliated																				
Fixed or Variable Rate - Other - Unaffiliated																				
Fixed or Variable Rate - Other - Affiliated																				
Joint Venture Interests - Fixed Income - Unaffiliated																				
Joint Venture Interests - Fixed Inc. - Affiliated																				
Joint Venture Interests - Common Stock - Unaffiliated																				
000000-00-0.....	Western Assets US Core Plus LLC.....	Wilmington.....	Delaware.....	Redeemed.....	02/15/2005.....	01/30/2008.....	19,590	(2,016)					(2,016)		17,573	19,882		2,309	2,309	
000000-00-0.....	Western Assets US Ltd Duration LLC.....	Wilmington.....	Delaware.....	Redeemed.....	02/15/2005.....	01/30/2008.....	14,646	(1,397)					(1,397)		13,249	14,830		1,581	1,581	
1599999 -							34,236	(3,413)	0	0	0		(3,413)	0	30,822	34,712	0	3,890	3,890	0
Joint Venture Interests - Common Stock - Affiliated																				
Joint Venture Interests - Real Estate - Unaffiliated																				
Joint Venture Interests - Real Estate - Affiliated																				
Joint Venture Interests - Other - Unaffiliated																				
Joint Venture Interests - Other - Affiliated																				

E03.1

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E04

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E05

E05

E05

E05

E05

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

STATEMENT AS OF MARCH 31, 2008 OF THE Health Alliance Plan of Michigan

SCHEDULE E - PART 1 - CASH

[illegible]

E09

E09

E09

E09